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SUBJECT: INDIA: 2005 COUNTRY REPORTS ON TERRORISM

REF: STATE 193439

¶1. (U) Below is Post's submission for the 2005 Country Reports on Terrorism:

Begin text:

India remains an important and vigorous ally in the global war on terror. India's law enforcement, paramilitary and armed forces neutralized over 1,500 terrorists in 2005, according to a leading independent Indian terrorism expert. India-US cooperative counterterrorism training continued to expand, with hundreds of Indian military and law enforcement officers trained under State Department and Department of Defense programs; US troops also received counterterrorism training in India. Countering terrorist finance took a leap forward when the Indian government began operationalizing its Financial Intelligence Unit. Indian diplomatic efforts forged new bilateral and regional counterterrorism relationships, and in November 2005 the Indian government extradited a high-profile suspected terrorist from Portugal.

India has long been a victim of terrorism directed at it by violent jihadi groups. India's democratic institutions such as the Parliament in Delhi and elected officials in numerous states have been targeted for decades. As in many previous years, terrorists staged hundreds of attacks on people and property in 2005; the most prominent terrorism strains are violent jihadi separatists operating in Jammu and Kashmir; Maoists in the "Naxalite belt" in eastern India; and ethno-linguistic nationalists in India's Northeastern

states. The federal and state governments have tried various strategies to address some of these grievances within the context of Indian democracy, but the government is firm that groups must cease violence before negotiations can begin, and the government will not entertain territorial concessions. The Indian government does not support international terrorism or terrorist groups, either publicly or privately.

An October 29, 2005 attack on a series of markets in New Delhi killed approximately 60 and injured over 150 on the eve of India's most important Hindu holiday -- making it one of the most egregious terrorist attacks in the country's history. Kashmir-oriented terrorism is historically the most lethal and the most politically volatile strain. Reflecting improved counterinsurgency policies, civilian fatalities from terrorism in Jammu and Kashmir have substantially decreased from 2001-2004 (approximately 20% decrease each year), according to Indian government statistics and a leading independent Indian terrorism expert. The data for the first nine months of 2005 showed a continued decline, but a spike in lethal attacks after the October 8 earthquake will result in the 2005 levels being roughly equal to those for 2004. Kashmiri terrorist groups made numerous attacks on elected Indian and Kashmiri politicians, targeted civilians in public areas, and attacked security forces, killing more than 500 civilians in 2005, most of whom were Kashmiri Muslims. Foreign Terrorist Organizations Lashkar-e-Tayyiba (LT) and Jaish-e-Mohammad (JEM), at times operating through front names from camps in Pakistan, claimed responsibility for many of these attacks. Some of these groups maintain ties with al-Qaida, although the Indian government does not acknowledge

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a direct al-Qaida presence in the country outside of Kashmir.

Indian terrorism analysts are concerned that Naxal (Maoist agrarian peasant movement) terrorism, which covers a broad region of Eastern, Central, and Southern India, is growing in sophistication and lethality and may be a significant long-term challenge. Unlike terrorists in Kashmir, these Naxalite groups are not dependent on support from outside India. These groups often target Indian security forces. In September, the Indian Home Ministry and the senior elected and bureaucratic officials from the 12 Naxal-affected states (Andhra Pradesh, Bihar, Chhattisgarh, Himachal Pradesh, Jharkand, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Tamil Nadu, Uttar Pradesh, and West Bengal) created an Interstate Task Force to streamline regional anti-Naxal operations. The Indian government is also modernizing the weapons and equipment for state police forces in Naxal-affected areas. Overall deaths due to Naxal violence have remained relatively constant at approximately 500-600 annually in recent years. The two primary Naxalite groups in 2004 combined to form the banned Communist Party of India (Maoist); this construct held through 2005.

Terrorism in India's Northeast states (Arunachal Pradesh, Assam, Mizoram, Manipur, Nagaland, Tripura, and Meghalaya) consists of many groups -- many based across India's frontiers -- that are small in number compared to other terrorist organizations in India, and their reach does not extend out of the region. Civilian deaths due to terrorism in the Northeast have been declining in recent years, according to Indian government data and a leading independent Indian terrorism expert. For 2005, between 300 and 350 civilians were killed in Northeast terrorism.

India is an active counterterrorism advocate in international fora. India is a party to all 12 international conventions and protocols relating to terrorism, as well as the 1987 South Asian Association for Regional Cooperation (SAARC) Convention on the Suppression of Terrorism. The Indian government proposed and continues to support the Comprehensive Convention on International Terrorism that is currently under consideration at the UN. Regional terrorism is on the agenda for many of the regional multilateral

organizations in which India participates, including SAARC, the ASEAN Regional Forum, and BIMSTEC.

The US and India continued to enjoy a broad and deep counterterrorism relationship in 2005. The US Pacific Command in September conducted a counterterrorism tabletop exercise that brought together Indian and American military, diplomatic, law enforcement, and humanitarian assistance professionals. For the first time, a US National Guard unit before deploying to Iraq co-trained with Indian troops at the Counter Insurgency and Jungle Warfare School in Mizoram in September-October. The State Department's Anti-Terrorism Assistance program has trained hundreds of Indian police and security officers; Indian security forces also benefit from Department of Defense/Office of Defense Cooperation programs and FBI training courses. The US-India Counter-Terrorism Joint Working Group (CTJWG) has met six times since its creation in 2000; India also participates in CTJWGs with 15 other countries, and in multilateral CTJWGs with the EU and

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BIMSTEC countries.

The Indian government participates in Cybersecurity Working Groups with the US, Canada, Israel, and Russia. Professional exchanges and US-government sponsored training in 2005 advanced the US-India Action Plan for Cybersecurity.

Numerous Indian exporters participate in the Customs Trade Partnership Against Terrorism (C-TPAT), a Department of Homeland Security initiative to secure global supply chains. C-TPAT's goal is to prevent legitimate commercial lines of traffic from being exploited by terrorist organizations.

The India-US Mutual Legal Assistance Treaty (MLAT) entered into force in October 2005. The MLAT provides the framework for expanding law enforcement cooperation on terrorism and criminal cases. India also has MLATs in force with 12 other countries.

The Indian government supports ongoing US investigations in cases involving American victims of terrorism, and has met with the Legal Attach at US Embassy New Delhi several times regarding the 1999 Indian Airlines flight IC-814 hijackers, who are being tried in absentia by the Indian courts. On April 26, 2005, a special court in Calcutta convicted seven men for the January 2002 attack on the American Center in Calcutta that left five Indian police officers dead and over 20 injured. Among those convicted was Aftab Ansari, the alleged mastermind of the attack, who was arrested by Dubai police and deported after he claimed responsibility for the attack in a telephone call from Dubai to a Calcutta newspaper. During periods of high alert and after recent terrorist attacks in New Delhi in 2005 -- notably the May 22 cinema bombings and the October 29 Diwali bombings -- the Indian and New Delhi governments temporarily boosted external security around the US Embassy and other American facilities throughout India.

India has extradition treaties in force with the US and 18 other countries, and reciprocal arrangements with eight. Extradition between India and the US continues to be a slow process as a result of cumbersome local court practices and procedures, reliance on understaffed, undertrained, and underfunded local police, the large and deliberative Indian bureaucracy, and the lack in many jurisdictions of computerized filing systems or modern forensic methods. The most recent extradition from India to the US was in August 2005; 16 cases remain pending. The most recent extradition from the US to India was in May 2000; six cases remain pending. The US extradition requests are related to criminal, not terrorist, activities.

In November 2005, India successfully extradited terrorist suspect Abu Salem and an alleged accomplice from Portugal. Salem is wanted in India for his role in the 1993 Mumbai bomb

blasts that killed over 250 people and left thousands injured, as well as other charges. India continues to seek the extradition of US government-Specially Designated Global Terrorist Dawood Ibrahim, who is also a suspect in the 1993 bombings and is believed by India to live either in Pakistan or in Dubai in the United Arab Emirates.

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The Indian government does not as a matter of policy offer safe haven to terrorists, and the Indian government has engaged its neighbors on the matter of cross-border terrorism. India has worked with Bangladesh, Bhutan, and Burma to counter Northeast terrorist groups that operate along the border areas with those countries. Indian border security forces regularly meet with their counterparts in Bangladesh and Pakistan to discuss matters of mutual concern.

Although not directly participating in the search for al-Qaida in Afghanistan, India has been assisting to reconstruct the war-torn country through funding and constructing roads, hospitals, schools, power generation/transmission infrastructure, and the new Afghan Parliament building. We have no information that any groups use Indian territory to stage attacks against targets outside of India, although Nepalese Maoists travel freely through Indian territory.

India's counterterrorism efforts are hampered by its outdated and overburdened law enforcement and legal systems. The Indian court system is slow and laborious and prone to corruption; terrorism trials can take years to complete. For example, an independent Indian think-tank assesses that the estimated 12,000 civilians killed in terrorism in Jammu and Kashmir from 1988-2002 generated only 13 convictions up to December 2002; most of the convictions were for illegal border crossing or possession of weapons or explosives.

Many of India's local police forces are often poorly staffed, trained, and equipped, to combat terrorism effectively; however, there have been some successes in 2005, including numerous arrests and the seizure of hundreds of kilograms of explosives and firearms in operations against the briefly resurgent Sikh terrorist group Babbar Khalsa International, which the Indian government holds responsible for the bombings of two movie theaters in New Delhi in May. Police in Jammu and Kashmir (J&K) and in Delhi also recovered thousands of kilos of explosives as well as weapons caches in numerous raids throughout 2005 on suspected terrorists and their support networks. State governments continue to adapt to address terrorism challenges. For example, in 2004 the Maharashtra state police established a specialist anti-terrorism squad that includes a Quick Reaction Team. This unit was bolstered by an increase in community policing and traditional police information gathering methods. A similar police unit in J&K that met with success in tackling terrorist networks in the Kashmir Valley was disbanded after the population complained of excesses.

Forensics is weak in India -- only two DNA labs service the entire country. Few police officers outside major cities are trained in safeguarding and exploiting electronic data, although this capacity is expanding under indigenous cybersecurity training and cooperative training with US government agencies. As a consequence, terrorism investigations and court cases tend to rely upon confessions, many of which are obtained under duress if not beatings, threats, or, in some cases, torture. These factors contribute to cases lingering in the courts for years. Public frustration with the courts, inability to swiftly apply justice in terrorism cases has bred a climate that tacitly sanctions "encounter killings" -- summary executions

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of suspected terrorists, staged to appear to have died in a

gunfight with security forces. Some security officers who have experience in these operations have become openly known and praised as "encounter specialists." There is no widely accepted data on the magnitude of the problem of extrajudicial killings, although the number of such deaths has declined sharply in recent years following criticism from Indian courts and the national Human Rights Commission.

Indian police in 2005 demonstrated they are improving their investigative techniques, however. For example, the first law enforcement leads following the May 22 cinema bombings, the July 5 attack on the Hindu temple in Ayodhya, and the October 29 Diwali bombings were generated by analyzing mobile telephone data cards, calling patterns, and billing records. That said, Indian security services generally lag behind terrorists, technology -- in one instance, an Indian security officer told reporters "when terrorists had two digit IED (improvised explosive device) remotes, we had one digit jammers, and when they had three, we had two." The use of Thuraya satellite phones marketed by a UAE-based company and used by terrorists that organize attacks from safe havens outside of Indian-administered Kashmir has further complicated the security forces' task.

Some of India's antiterrorism legislation has the potential to be misused -- or has been misused -- to deprive suspects, due process. The Armed Forces Special Powers Act (AFSPA) and the Disturbed Areas Act remain in effect in Jammu and Kashmir, Nagaland, Manipur, Assam, and parts of Tripura, where active secessionist movements exist. The Disturbed Areas Act gives police extraordinary powers of arrest and detention, and the AFSPA provides search and arrest powers without warrants and grants security forces immunity from prosecution for acts committed under the law. The Public Safety Act (PSA), which applies only in Jammu and Kashmir, permits state authorities to detain persons without charge and judicial review for up to 2 years. The PSA has been used in the past to detain Kashmiri separatist leaders for short periods of time, ranging from several hours to one day, usually to prevent their participation in demonstrations, funerals, or other public events.

The Unlawful Activities Prevention Act (ULPA) of 2004 is India's main counterterrorism legislation. It retains the salient aspects of previous laws, and maintains India's compliance with UNSCR 1373. ULPA also expanded the legal definition of terrorism to include extraterritorial acts, and strengthened police wiretapping authority in terrorism cases.

ULPA also eliminated the ability of police to detain a terrorist suspect for up to 180 days before filing charges.

ULPA criminalizes fundraising by terrorists and holding property derived from or acquired through terrorist acts. There has been no known instance where the GOI has declined or failed to seize the assets of a known or suspected terrorist group. ULPA also allows the government to seize property derived from the proceeds of terrorism without a conviction. There have as yet been no prosecutions or convictions under ULPA since it has come into force.

The Prevention of Money Laundering Act, which became

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effective from July 1, 2005, provides the statutory basis for India's Financial Intelligence Unit (FIU), an independent entity within the Finance Ministry. The FIU's mandate is to collect and analyze suspicious and other transaction reports received from financial institutions and banks, including transactions related to terrorist financing. It will have access to the records and databases of other government agencies, including banks and financial institutions. The FIU will be a purely administrative body, without regulatory or criminal investigative responsibilities; it will report suspicious cases to the appropriate law enforcement agency. The FIU will begin operations in three phases, becoming fully operational by December 2006. Standing up the FIU moves the

Indian government forward in joining the Financial Action Task Force and the Egmont Group in 2006.

The Reserve Bank of India in November 2004 issued a set of "Know Your Customer and Anti-Money Laundering" guidelines for banks and financial institutions, with implementation beginning in December 2005.

In August 2005 the Indian government announced a new policy on airplane hijackings that includes directing ground crews to obstruct a hijacked plane from taking off and a clearance procedure for authorizing the shooting down of a hijacked plane in flight that might endanger civilians on the ground. The policy stemmed from lessons learned after the hijacking of Indian Airlines flight IC-814 in 1999.

The Indian government has an excellent record of protecting its nuclear assets from terrorists, and is taking steps to further improve the security of its strategic systems. In May the Indian Parliament passed the Weapons of Mass Destruction and Their Delivery Systems (Prohibition of Unlawful Activities) Bill, which is designed to prevent the leakage of WMDs, delivery systems, and associated technologies to state and non-state actors, including terrorists. The Indian government is in the final stages of approving India's participation in the Container Security Initiative, which will upon activation enhance its counter-proliferation capabilities.

New trends emerged in 2005 from terrorist groups operating in India. The Indian government and military credit improved tactics and a fence that runs along the Line of Control (which separates the Indian and Pakistani sides of Kashmir) for having reduced markedly the number of terrorists who cross into Indian Kashmir and, as a consequence, the number of attacks and fatalities in Jammu and Kashmir. However, after the October 8 earthquake that reportedly killed scores if not hundreds of Kashmir-based terrorists, the terrorists launched a series of high-profile attacks across the degraded frontier defenses in an effort to prove their continued relevance. Indian experts assess the car bombs, grenade attacks, and daytime assassinations and assassination attempts on Kashmiri political leaders -- including current and former state ministers -- were designed to signal that the terrorist groups retained the ability to conduct "spectacular" operations despite their reported losses. They also assess the April attack on the bus depot for the Srinagar-Muzaffarabad bus was designed to inhibit the growing Kashmiri enthusiasm for normalization of ties between Indian

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and Pakistani Kashmir.

Multiple-simultaneous terrorist attacks within New Delhi are, like the high-risk attacks in Jammu and Kashmir, likely a case of terrorist groups seeking to raise their profile. May 22 saw the nearly simultaneous bombings of two movie theaters in New Delhi by a Sikh terrorist organization -- Babbar Khalsa International -- that had been thought by many to be defunct. The Indian government blamed Lashkar-e-Tayyiba for the trio of explosions in crowded marketplaces and a public bus on the eve of October 29 (the Hindu Diwali holiday). The May attacks left one person dead and over 60 injured; approximately 60 were killed and 150 injured in the Diwali bombings.

The Naxalites launched two mass attacks in the second half of 2005. On June 23 approximately 500 Naxalites attacked an Uttar Pradesh village, destroying buildings, capturing weapons, and killing several local policemen. On November 13, an estimated 300 Naxalites attacked the Jehanabad Prison in Bihar, killing 2 persons and freeing over 300 inmates. Among the 698 inmates about 30 members of an upper caste landowners, anti-Naxal group were abducted.

In the Northeast, the most lethal terrorist group, ULFA, has

occasionally resorted to bomb blasts. It usually tries minimizing the loss of life during attacks -- mostly on economic installations -- in a bid to retain support from the local population.

End text.

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